



U.S. Congressman

Lincoln Diaz-Balart*21st District, Florida*

Dear Friends,

Did you know that most married couples pay, on average, \$1,400 each year in additional income taxes, over that of two people living together outside of marriage? The Internal Revenue Service punishes millions of married couples who file their income taxes jointly, instead of individually, by pushing them into higher tax brackets.

I am pleased to be part of an effort in Congress to alleviate this unjust penalty. I am proud to be a cosponsor of H.R. 6, a bill to provide marriage tax penalty relief to millions of working couples. In our district alone, there are over 62,000 married couples who suffer from unfair marriage tax penalties.

Due to the hard work of America's working people and the fiscal restraint shown by Congress, the federal government enjoyed its first budget surplus in over a generation last year. Now the Congressional Budget Office (CBO) is projecting surpluses in the federal budget for the next 10 years of almost \$3 trillion (\$3000 billion). This forces the President and the Congress to make a number of decisions on what to do with this surplus of tax dollars.

H.R. 6 provides \$182 billion in marriage tax penalty relief to working families. Beginning in 2001, married couples would be allowed to claim a standard deduction equal to that of two single taxpayers. The new standard deduction for married couples would rise to \$8,800. This change would provide significant tax relief for families beginning next year. Additionally, the bill expands the 15% income tax bracket in order to include many additional families.

Let me briefly explain to you how the tax code punishes couples, through the income tax brackets, who choose to marry. The first \$25,750 in earnings for a single person fall within the 15% tax bracket. When two singles marry and file a joint return, their earnings fall within the 15% tax bracket only up to \$43,050. Therefore, under current law, a couple that chooses to marry will see \$8,450 more of their income taxed at a higher rate than if they choose not to marry. The result averages in nearly \$1,400 in additional taxes just because the couple is married. H.R. 6 eliminates this problem and provides relief to all couples suffering from the marriage tax penalty.

Ending the marriage penalty got one step closer to reality when H.R. 6 passed the House of Representatives on February 10, 2000, with my strong support. I hope that the Senate will follow with a vote and a bill will be sent to the President's desk.

I hope you find this news as exciting as I do. Please feel free to contact me whenever you have thoughts about any matter before Congress.

Cordially,

Lincoln Diaz-Balart

Removing Penalty for Working Seniors

Thanks to Congress, once signed by the President, seniors will be able to collect their full social security benefit.

WHAT IT IS:

Current Law, subject to change once President signs the Seniors Freedom to Work Act into law:

This year, Social Security beneficiaries aged 65-69 are restricted to earning \$17,000 without losing Social Security benefits. Once their earnings reach this limit, they lose \$1 for every \$3 of earnings over the limit. The earnings limit is scheduled to increase to \$30,000 by 2002 under current law.

WHO IT AFFECTS:

800,000 persons ages 65 to 69 now work and suffer the loss of part or all of their Social Security benefits which they have spent years of hard work to earn.

WHAT IS PLANNED WITH OUR NEW CHANGE IN LAW:

The elimination of the earnings limit for people who have reached normal retirement age, which is now 65.

On March 1, the House of Representatives passed "the Seniors Freedom to Work Act," a repeal of the earnings limit, and the Senate is expected to also act so that this bill can be signed by the President into law, retroactively effective January 1, 2000.

I believe that our working seniors have been unfairly penalized for continuing gainful employment after reaching the age of 65. Americans are living longer and this Depression-era mentality of "clearing out the work force" of older workers is contributing to labor shortages. I hope you agree with me that our recent successful reform of the Social Security earnings limit has been long overdue.

STRENGTHENING MEDICARE & PASSING A PATIENT'S BILL OF RIGHTS

Medicare is a critical part of retirement security for America's seniors. But cutbacks and payment delays by Medicare bureaucrats are creating a funding crisis that threatens access to quality care for seniors and the financial viability of our community health care providers.



Congressman Lincoln Diaz-Balart visits an elderly center in the 21st Congressional district of Florida where he meets with constituents to discuss Medicare and services for the elderly.

After working closely with our area hospitals, nursing homes and home health agencies, I strongly supported a *Medicare Action Plan* to restore Medicare funding so these local health care providers can stay open to serve our seniors, especially those with complicated illnesses.

In October, Congress approved nearly all of the action plan, restoring \$12.4 billion in Medicare funding over the next five years.

In addition to protecting Medicare, I'm also working hard for passage of a strong Patient's Bill of Rights that will hold HMOs accountable when they interfere in the process of care. I believe that doctors, not HMOs, should make medical decisions.

Patients and doctors need a strong appeals process to independent physicians and the right to challenge HMOs when necessary to protect patients' rights.

INVESTING IN OUR SCHOOLS



Pictured here are students from both Hialeah High and Belen Jesuit Schools located in Florida's 21st Congressional District, discussing education proposals and their impact on Florida's schools.



A top-notch education should be a birthright for our children. Whatever line of work young people pursue, they will have to be able to access and use information with speed and accuracy never before required. Unfortunately, in virtually every part of the country today, many students are expected to learn in schools that are crowded, run-down and obsolete. Extensive school modernization, repair, and construction is urgently needed.

I have co-sponsored legislation to help finance the repair of structurally unfit schools, reduce overcrowding, and provide modern technology to encourage learning and promote student achievement.

"America's Better Classrooms Act" (ABC Bill) will help local governments and schools meet their modernization or construction needs by providing a federal tax credit to pay the interest on construction bonds. Here in Florida, schools would be eligible to issue roughly \$871 million worth of bonds without having to pay interest, making school modernization far more affordable.

This is a sensible investment in our children's education. We must give our children the quality education they will need to compete and prosper in the increasingly competitive global economy.

COMBATING ONLINE SEX PREDATORS



The Internet has revolutionized the way we shop, learn, and communicate with one another. But there is a dark side to the Internet that we often overlook. Every day, hundreds of pedophiles go online looking for unsuspecting children - looking for their next victim.



That's why I strongly supported legislation, passed by Congress and signed into law, that will help law enforcement agents combat online sex predators who target children. The legislation will boost funding for the U.S. Customs Service to give them the resources they need to find these cyberpredators before they find their next victim.



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